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November 8, 2002

Honorable James H. Welsh Commissioner of Conservation State of Louisiana Post Office Box 44275 Baton Rouge, Louisiana 70804-4275

Re: <u>APPLICATION FOR PUBLIC HEARING</u>.

Pettet Lime Formation, SIBLEY FIELD, Webster Parish, Louisiana.

Dear Sir:

NELSON ENERGY, INC. ("Applicant"), hereby respectfully applies for a public hearing to consider evidence relative to the issuance of an Order pertaining to the following matters relating to the Pettet Lime Formation in the Sibley Field, Webster Parish, Louisiana:

- 1. To authorize Applicant to complete, designate and utilize its Gibbs et al. A No. 1 Well as an alternate unit well for PET SUH, said well being located as shown on the attached plat, in exception to the well location provisions of the Office of Conservation Order No. 148-B series of Orders.
- 2. To find that an alternate unit well for PET SUH is necessary to efficiently and economically drain a portion of the Pettet Lime Formation underlying PET SUH which cannot be efficiently and economically drained by any existing well on such unit.
- 3. To permit the Operator of PET SUH to produce the allowable assigned to the unit from either the unit well, the alternate unit well, or from a combination of such wells, at the option of the Operator.
- 4. To consider such other matters as may be appropriate and justified by the evidence presented at the hearing.

The Pettet Lime Formation in the Sibley Field, Webster Parish, Louisiana, was defined in Office of Conservation Order No. 148-B, effective April 17, 1952.

Pertinent data concerning this application is available for inspection at the offices of Nelson Energy, Inc., 401 Edwards Street, Suite 1500, Shreveport, Louisiana 71101-3140. Any person desiring to inspect such data should call Mr. Danny Moreland at (318) 226-0700 during

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normal business hours in order to arrange a date and time for such inspection. A copy of any such data which is not otherwise available at the Office of Conservation can be obtained from Applicant at the expense of the requesting party.

As provided by the Revised Rules of Procedure, the subject matter of this application does not require the issuance of a pre-application notice; therefore, no such notice has been issued.

Pursuant to the aforesaid Rules of Procedure, Applicant has made a reasonable effort to obtain the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom notice of this application is being sent and has attached hereto a list of the names and addresses of such parties. A copy of this letter, and of the attached plat, is being sent to the District Manager of the Shreveport District of the Office of Conservation and to the Interested Owners, Represented Parties and Interested Parties, as shown on the attached list.

Applicant will provide for posting of a copy of the Legal Notice of this hearing, and the enclosed plat, at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Sibley Field, all in accordance with the Revised Rules of Procedure. Furthermore, Applicant will mail a copy of the Legal Notice to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

Finally, enclosed is a check payable to the Commissioner of Conservation for the application fee.

yours very truly,

David L. Smelley

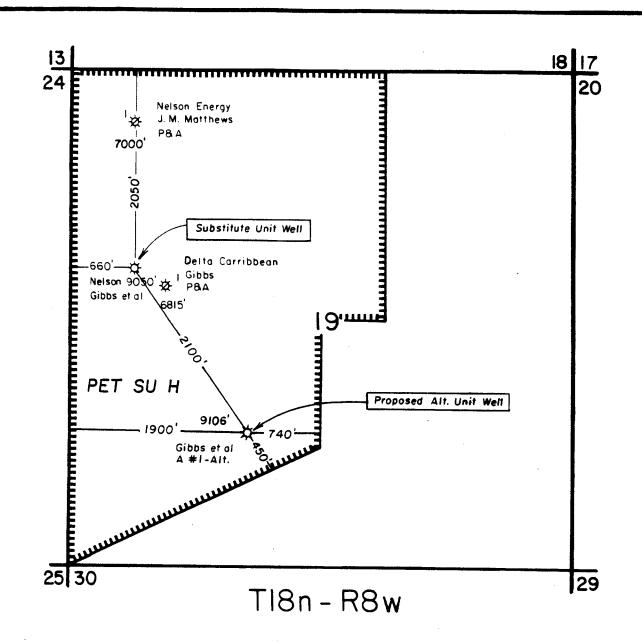
Attorney for Nelson Energy, Inc.

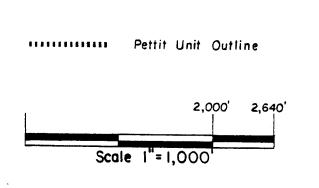
DLS:dp Enclosures

cc: Mr. Jim Broussard (w/encls.)

Mr. Danny Moreland (w/encls.) Interested Owners, Represented

Parties and Interested Parties (w/plat only)





nelson A OHL & GAS	DOCKET NO ORDER NO
PROPOSED ALTERNATE UNIT WELL PET SU H	
SIBLEY FIELD	
WEBSTER P	ARISH, LA.
Geologist: D. Moreland	Onto